The Value of IT Governance

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Agenda

- The Symptoms
- The Cure
  - Governance Basics
  - Project Prioritization Process
- Case Study – LV Metro Police Department

The Symptoms

- Disconnect between IT & everyone else
- IT is overwhelmed
- Projects are delayed; not as successful
- Customer dissatisfaction & “I’ll do it myself” mentality
- Multiple systems exist for similar needs
- IT lacks direction

The Symptoms

- No one person is accountable for IT
- Technology does not make things better
- Security concerns
- Data in multiple places/hard to pull together
- Projects not delivered or not done well

The Symptoms

- End users unhappy with systems
- Feeling that “IT doesn’t deliver”
- Chasing the latest and greatest
- “IT is not bringing forward technology to help us”
- IT waits for direction from end users

The Cure

- Well-defined decision making process
- Forward thinking IT leadership
- High-performing IT management team
- Easily understood Architecture & Standards
- Project Evaluation & Prioritization
- Best Practice Project Management approach

Governance Basics

Based on: ***IT Governance*** by Dr. Peter Weill & Jeanne W. Ross

Governance Basics

- Principles to determine
  - How decisions are made
  - How conflicts are resolved
- Within traditional hierarchies
- Across business boundaries

Governance Basics

- IT Principles
  - The role of IT & desirable behaviors
- IT Architecture
  - Enterprise standards & link to business goals
- IT Infrastructure Strategy
  - To meet the business strategy
- Business Application Needs
  - Portfolio management, project ownership & new opportunities
- IT Investment & Prioritization
  - Enterprise vs. business unit investment

Governance Basics

- Approaches
  - Business monarchy
  - IT monarchy
  - Federal system (C-level executives, business leaders & IT)
  - IT duopoly (IT & business leaders)
  - Feudal system (business units or process leaders)
  - Anarchy (individuals)

Governance Basics

Style	Decision Domain									
	IT Principles		IT Architecture		IT Infrastructure Strategy		Business Apps		IT Investment	
	Input	Dec	Input	Input	Input	Dec	Input	Dec	Input	Dec
Business Monarchy (CXO level)		TP LA								G TP LA
IT Monarchy (IT only)	TP		TP	G TP LA	TP	G TP LA			TP	
Feudal (Business Units only)										
Federal (CXO, IT & business)	G LA		G		G LA		G	G	G LA	G
Duopoly (IT and Business)		G	G LA				TP LA	G TP LA		

Project Prioritization

Based on ***Achieving Business Value From Technology*** by Tom Murphy

Project Prioritization

- Strategic alignment
  - IT with business goals & objectives
- Business process impact
  - Requirement for redesign
- Architecture
  - Integration, scalability, resilience

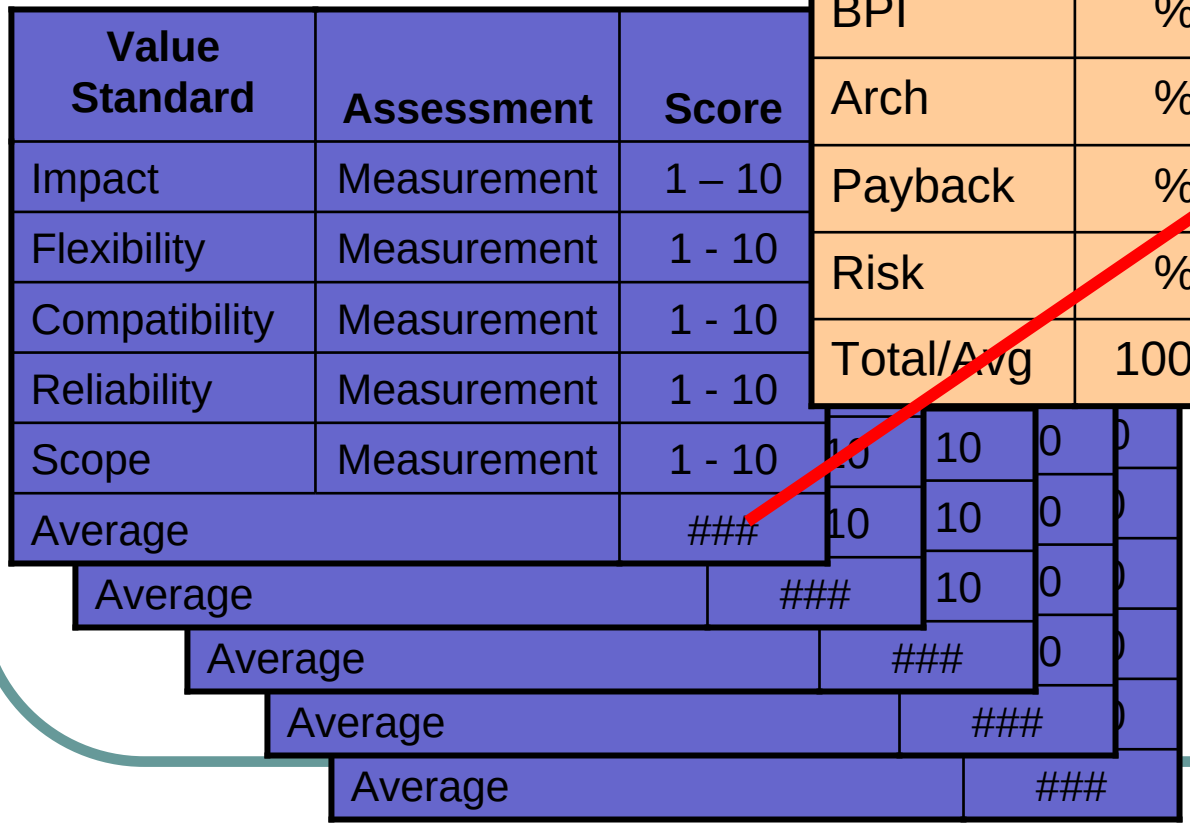
Project Prioritization

- Direct payback
  - Easily understood benefits, i.e. cost savings
- Risk
  - Identifying potential failures or under-achievements

Project Prioritization

Pillar	Weight	Score (avg)	Weighted Score
Alignment	%	##	B*C
BPI	%	##	B*C
Arch	%	##	B*C
Payback	%	##	B*C
Risk	%	##	B*C
Total/Avg	100%	Avg ##	Total

Value Standard	Assessment	Score
Impact	Measurement	1 – 10
Flexibility	Measurement	1 - 10
Compatibility	Measurement	1 - 10
Reliability	Measurement	1 - 10
Scope	Measurement	1 - 10
Average		###
Average		###
Average		###
Average		###
Average		###



Las Vegas Metro Police Department

Governance in Action

A Few Facts & Figures

- Metro PD (5,000+ employees)
  - Formed in 1970's by consolidating City PD with County Sheriff's Office
  - Run by elected Sheriff
  - One of the largest local law enforcement agencies & fastest growing
- Clark County (population approx. 1.9m)
  - One of the fastest growing areas in U.S
  - Nearly 40 million tourist a year

Issues At Metro

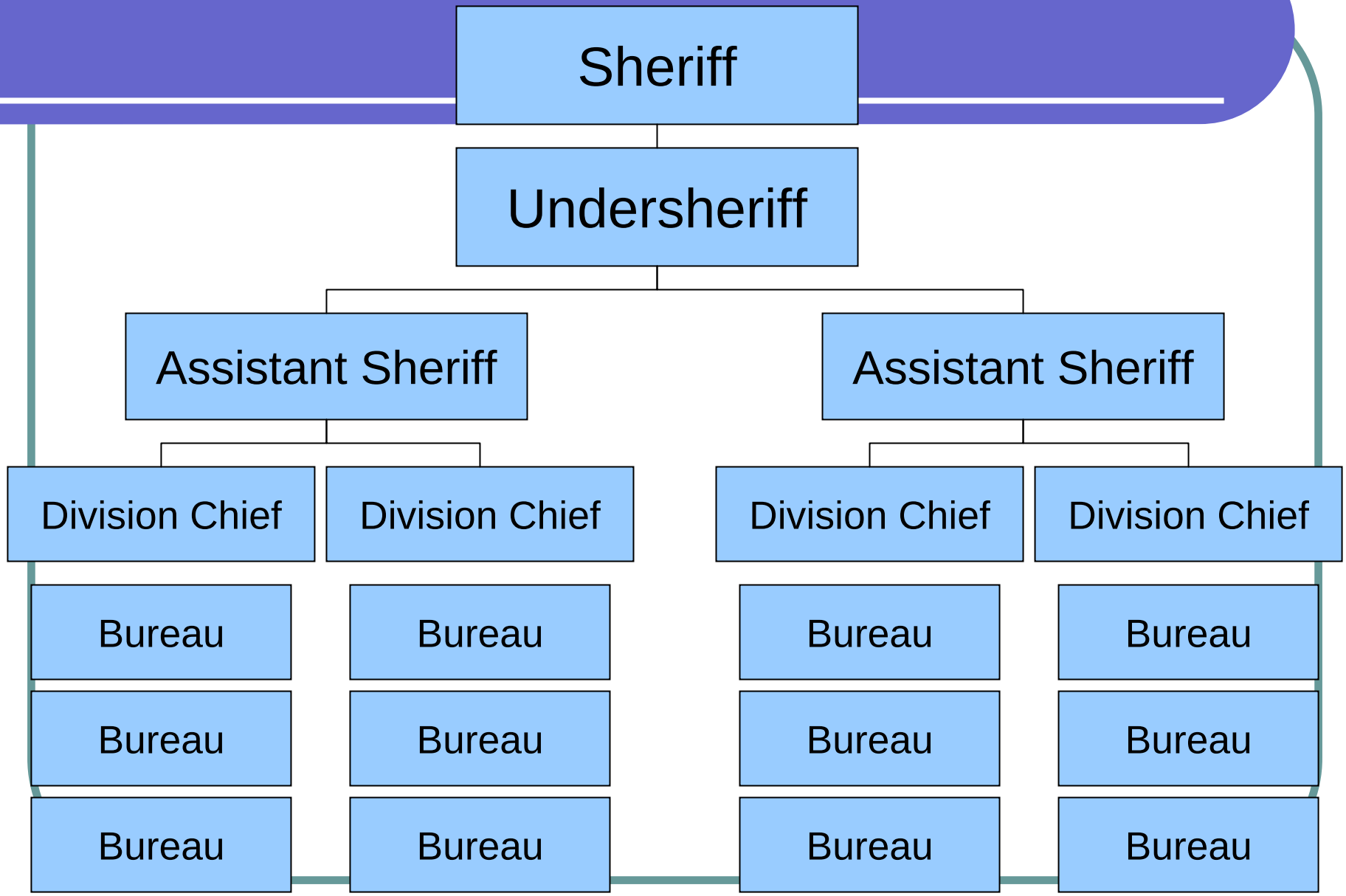
- Suffering from symptoms
- Nearly 100 projects for IT
- Ideas, money & demands from all directions
- Little recognized progress
- Leadership recognized it was a time for change

My Role

- Objective 3rd party contractor
- Report to executives (Sheriff/Undersheriff)
- Fixed price, deliverable based contract
- 6 month turn around
- Conducted SWOT 1st 60 days
- Made recommendations, received approval, implemented

(Some of) What We Did

- Governance
  - Selected an IT Leader
  - Reorganized IT Bureau
  - Formed 2 governance bodies
  - Adopted IT Principles
  - Adopted Conceptual Enterprise Architecture


Sheriff
Undersheriff
Assistant Sheriff
Assistant Sheriff
Division Chief
Division Chief
Division Chief
Division Chief
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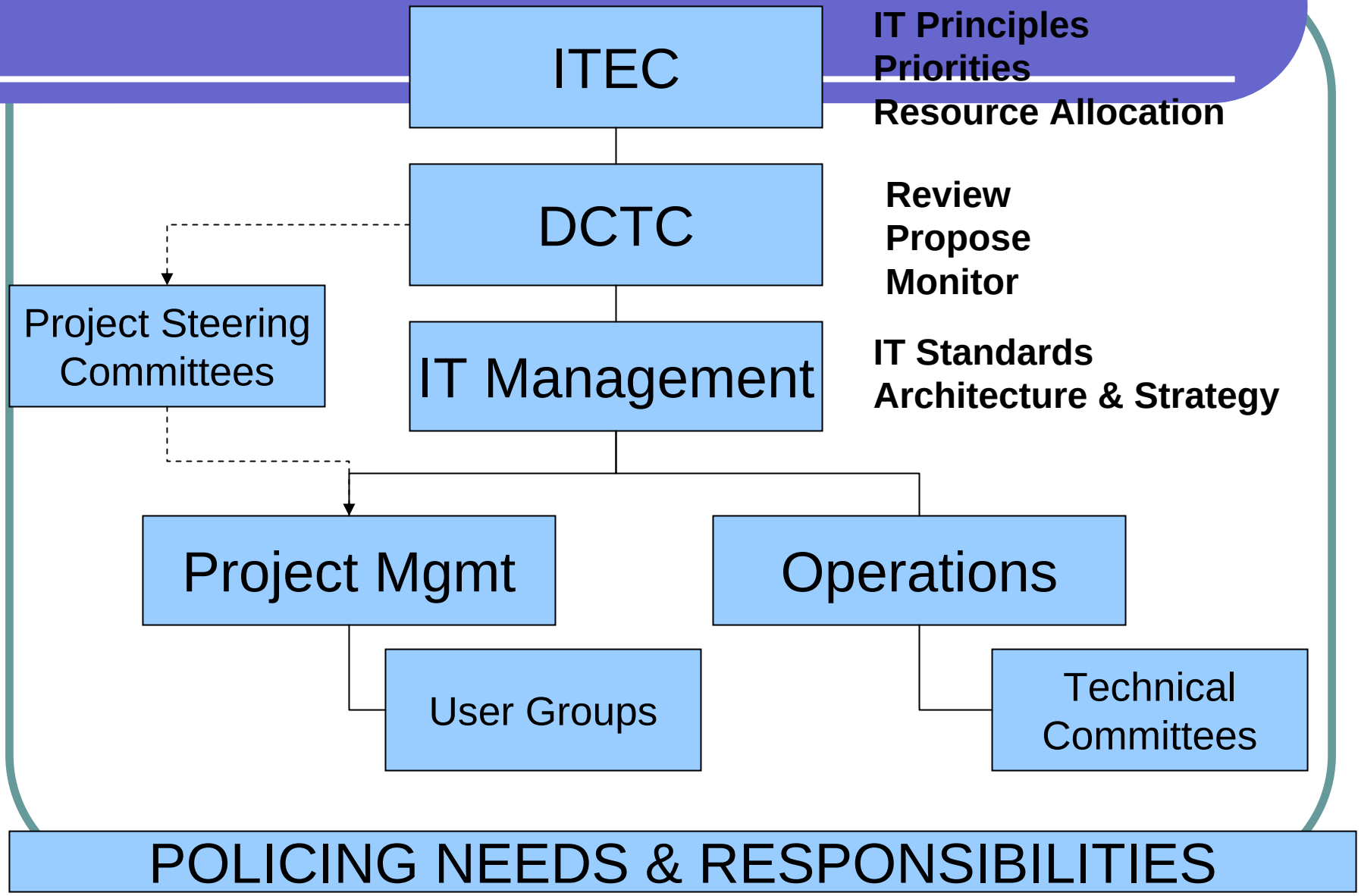

ITEC
IT Principles
Priorities
Resource Allocation
DCTC
Review
Propose
Monitor
Project Steering Committees
IT Management
IT Standards
Architecture & Strategy
Project Mgmt
Operations
User Groups
Technical Committees
POLICING NEEDS & RESPONSIBILITIES

IT Principles

- IT priorities and resource allocation will be established through IT Governance
- New IT systems will be based on our IT principles and standards, and utilize Tier 1 software and hardware whenever possible
- Use of existing IT systems will be considered before purchasing new technology

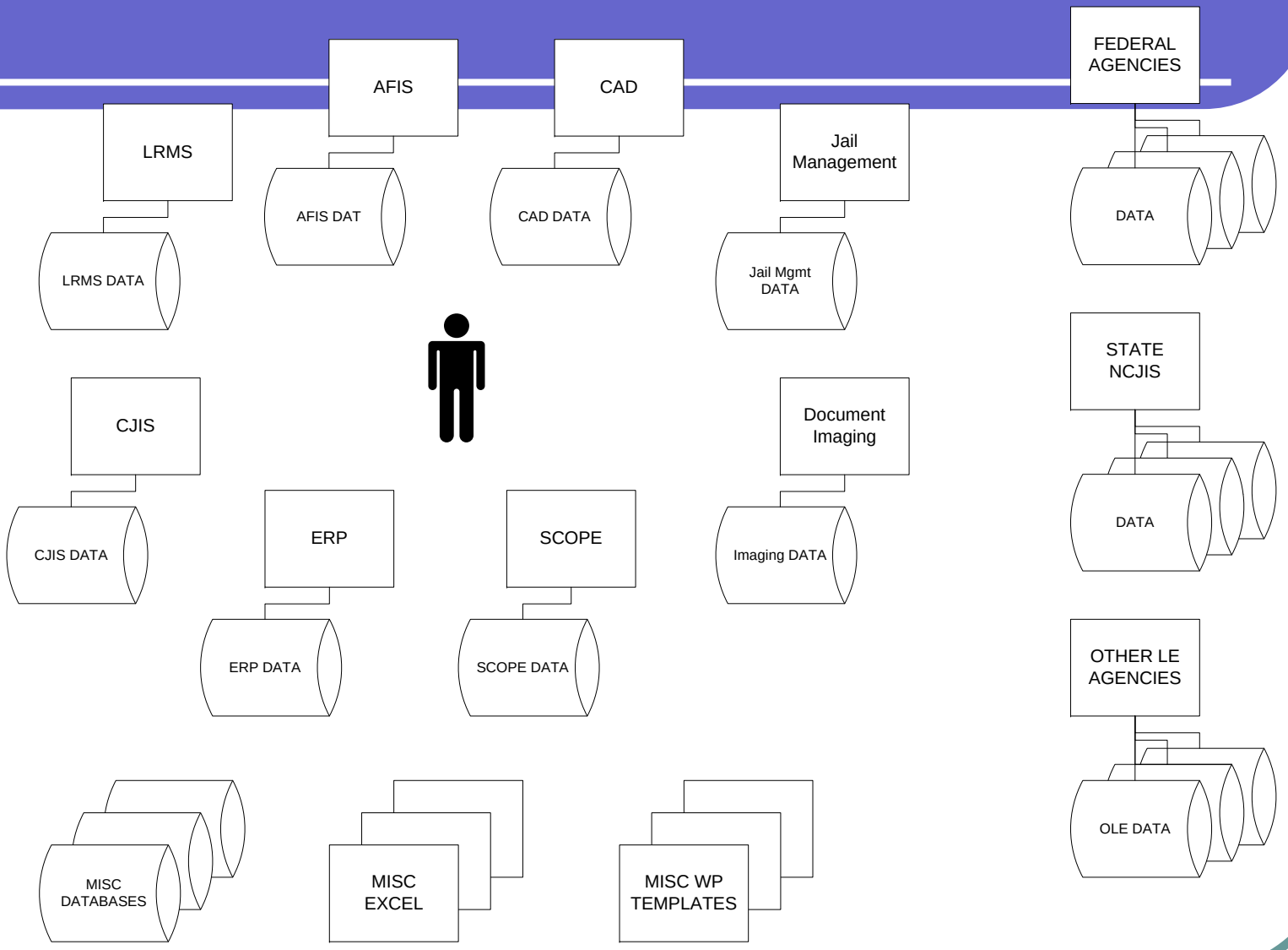
IT Principles

- Investments in technology will include a review of current processes and procedures to identify opportunities for process improvement
- IT systems will be shared and common data repositories will be used, taking in consideration security, risk management, and mandates

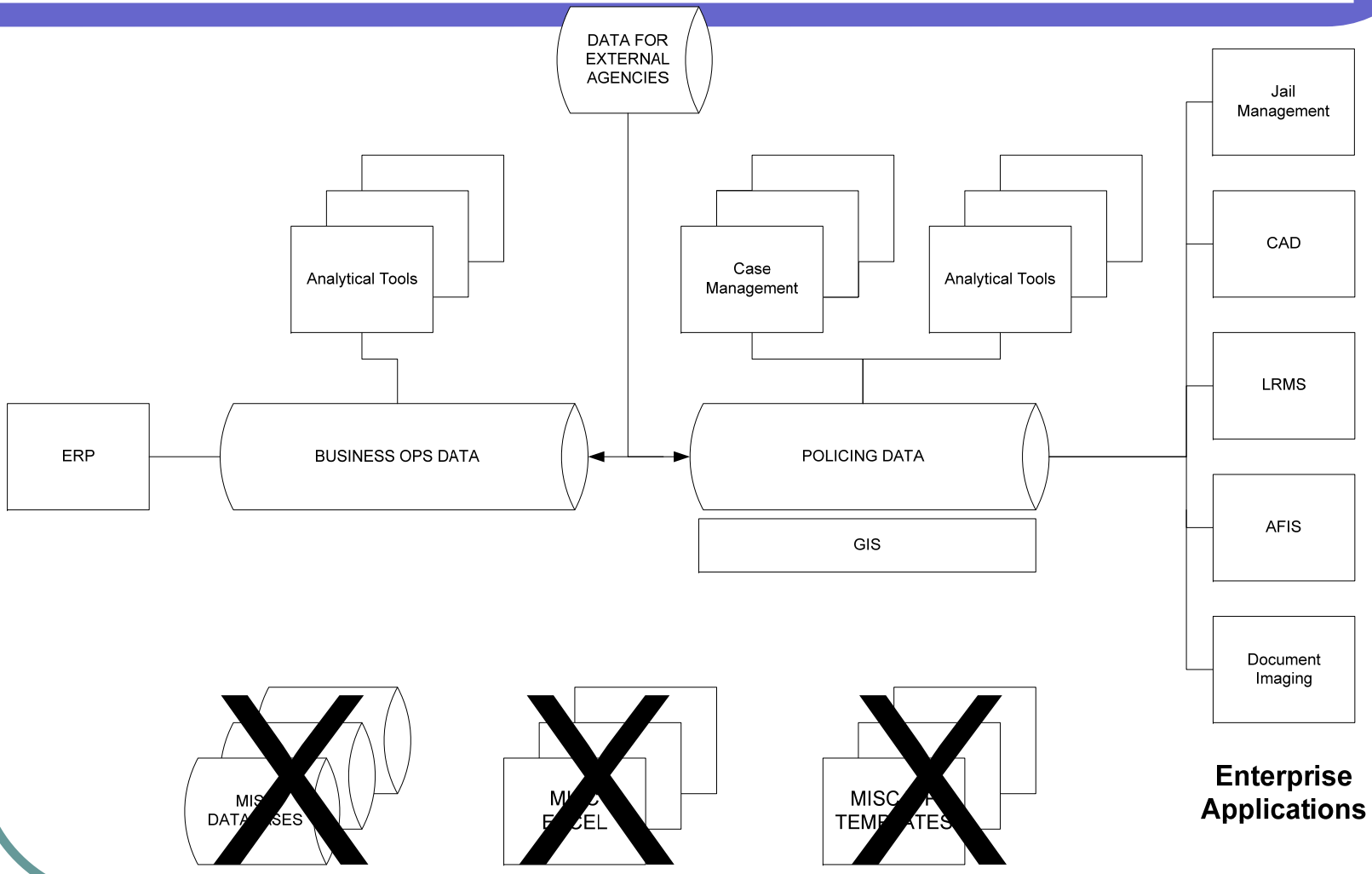
IT Principles

- IT projects will be implemented using a standard project management procedure
- Exceptions to IT standards, policies and processes will be addressed through the IT Governance process

CURRENT ARCHITECTURE



TARGET ARCHITECTURE



(Some of) What We Did

- Project Prioritization
  - Compiled list of all IT projects
  - Developed evaluation criteria & weighting through Governance
  - Categorized list first
  - Evaluated feasible projects
  - Presented to Governance for final prioritization
  - Aligned budget & resources with priorities

Summary Sheet

Summary Sheet for:

Enter a System or Project Name

Pillar	Weight	Score (average)	Weighted Score
Strategic Alignment	25%		
Process Improvement	15%		
Architecture	15%		
Payback	25%		
Risk	20%		
Totals	100%		

Strategic Alignment 25%

- Value Standard
  - Improve access to information
  - Increase security of information
  - Improve customer productivity
  - Support growth in department and community
  - Support timely, relevant deployment of new technologies

Results

- Clear, understandable decision making process
- Top 12 IT projects
- IT resources focused & aligned with strategy
- Everyone is happier

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